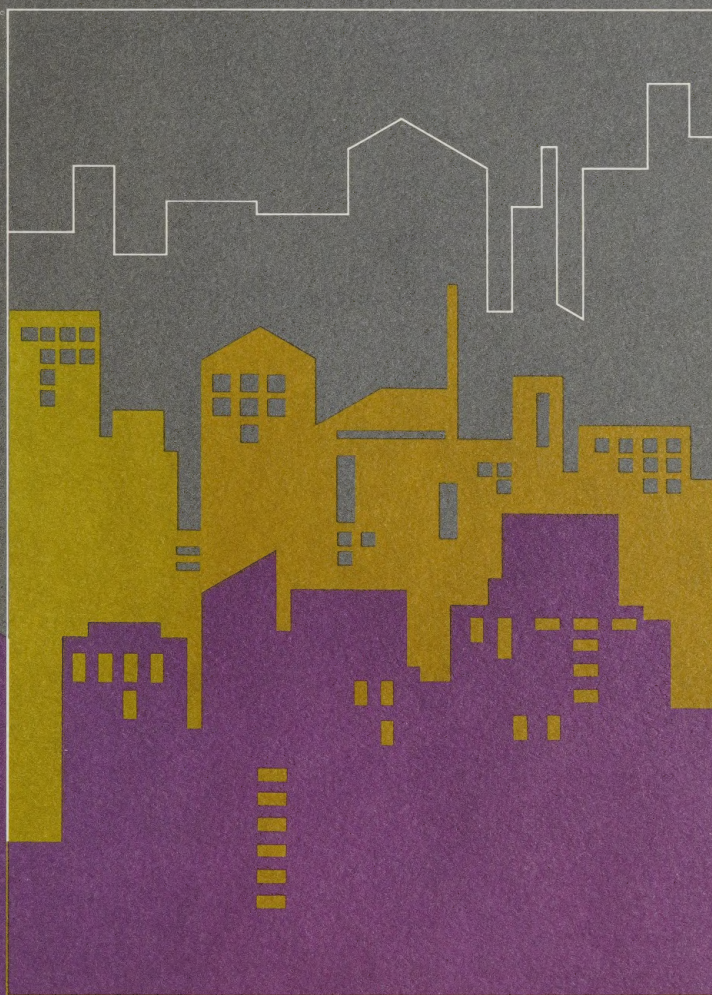


Public Works Canada Real Estate Services

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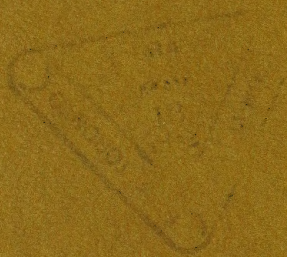
- Acquisition • Appraisals • Surveys • Disposals •
- Property Development • Real Estate Investment Analysis System •
- Central Real Property Inventory • Municipal Grants •



Public Works
Canada

Travaux publics
Canada

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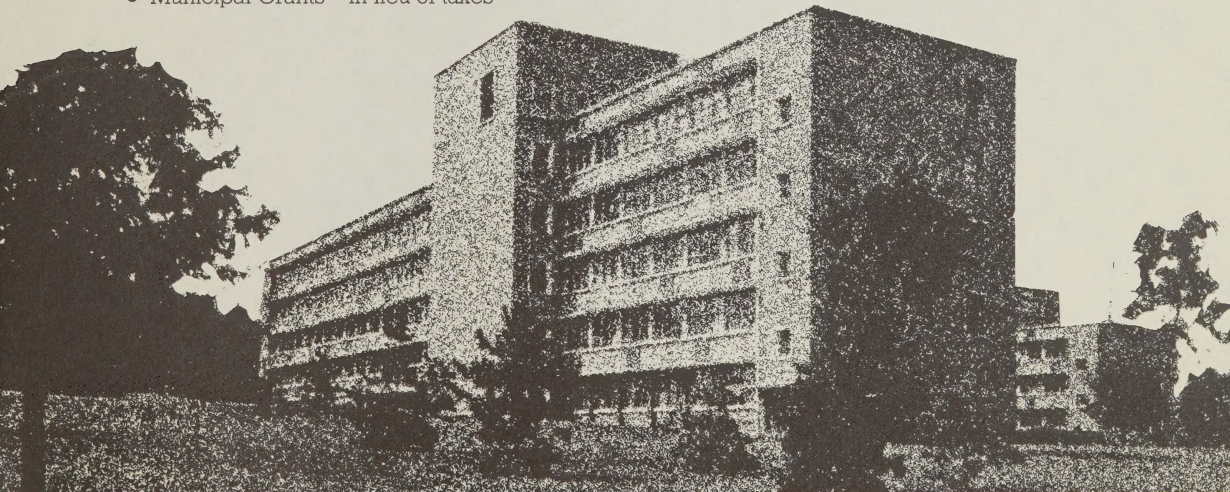
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**Inside the back cover of this booklet, you will find
information sheets on our services:**

- Acquisition – getting the real estate you need
- Appraisal – expert valuations of real property
- Land surveys – to meet your requirements
- Disposal – of surplus real estate
- Property Development – selecting the site for your project
- REIAS – the decision-maker's instrument
- Central Real Property Inventory – a planning and admin tool
- Municipal Grants – in lieu of taxes



With Experience, Expertise and Efficiency ..in Every Canadian Region

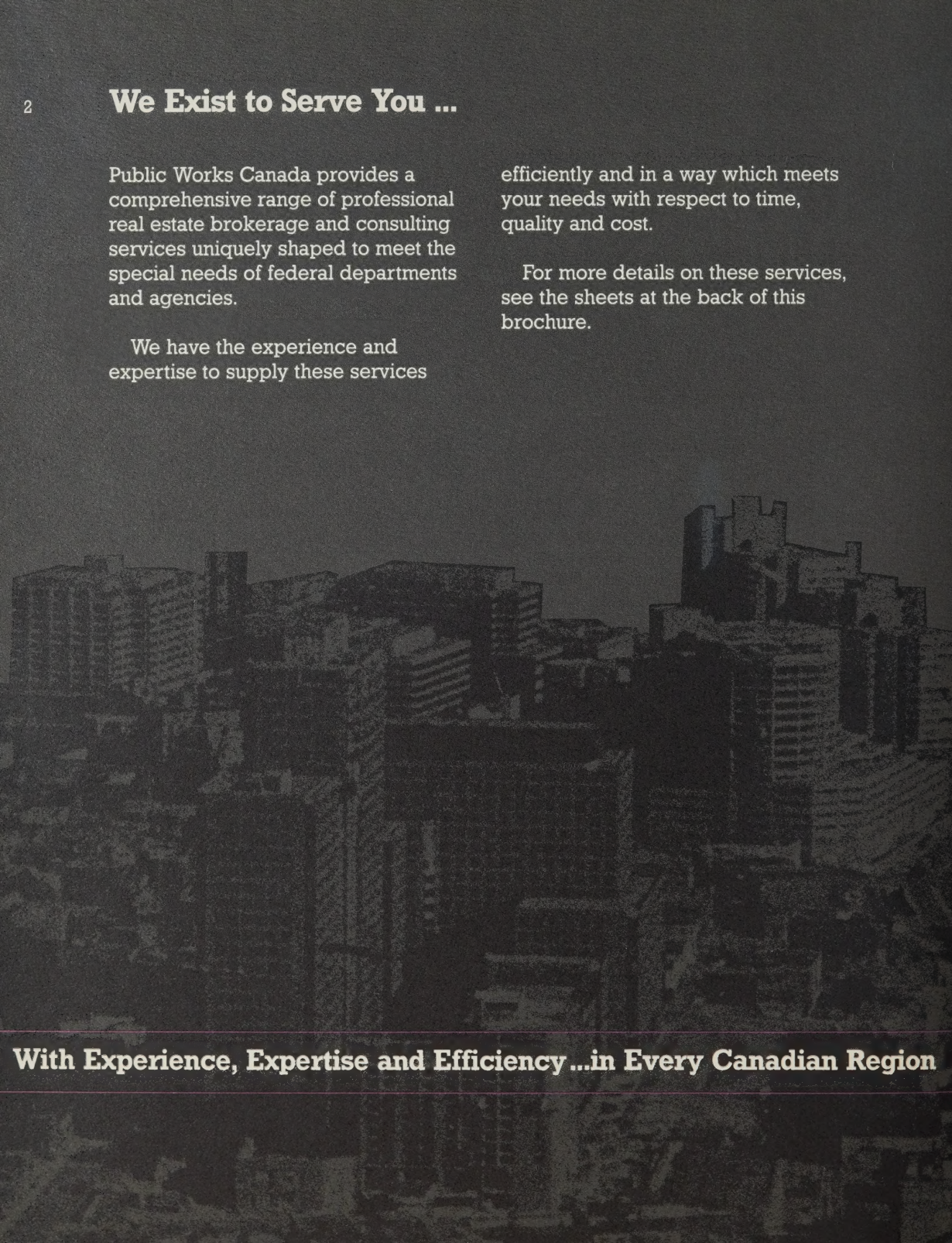
We Exist to Serve You ...

Public Works Canada provides a comprehensive range of professional real estate brokerage and consulting services uniquely shaped to meet the special needs of federal departments and agencies.

We have the experience and expertise to supply these services

efficiently and in a way which meets your needs with respect to time, quality and cost.

For more details on these services, see the sheets at the back of this brochure.



With Experience, Expertise and Efficiency...in Every Canadian Region

1. Acquisition—Obtaining The Real Estate You Need

3

Our Acquisition Division has the professional expertise and experience to handle all negotiations, no matter how complex, leading to acquisition of an interest in real estate. It provides Treasury Board

with all the documentation required for approvals. Where necessary, the Minister of Public Works also has the power to expropriate.

2. Appraisal—Expert Valuations Of Real Property

The professional appraisers in our Appraisal Division are expert in the valuation of a wide range of interests in many types of real estate—including residential, commercial and industrial properties, as well as such

specialized items as harbour lands and historical buildings. Our appraisals serve as vital support for decisions to undertake real estate transactions and for planning future uses for Crown lands.



● Acquisition and Appraisal ●

3. Land Surveys—To Meet Your Requirements

The professional surveyors, technicians and draftspersons in our Land Surveys Division use the most efficient techniques to meet your land information needs. They

determine and establish boundaries, supply the plans and documents essential to transfers of ownership and provide related land information services.

4. Disposal—Of Surplus Real Estate

Our Disposal Division is responsible for disposing of all real estate interests surplus

to the Government of Canada's needs under the Surplus Crown Assets Act.



• Land Surveys and Disposals •

5. Property Development—Selecting The Best Site For Your Project

5

Our Property Development Division has skilled, experienced specialists ready to conduct thorough site selection studies and

evaluations of land use so that your project will be located on the best possible site.

6. Real Estate Investment Analysis System (REIAS)—The Decision-Maker's Instrument

The Real Estate Investment Analysis System (REIAS, for short) is a computerized system for analyzing the financial implications, both long and short term, of investments in real

estate. It can give you the accurate information you need to choose between investment alternatives.



• Property Development and Investment Analysis •

7. Central Real Property Inventory (CRPI) —An Invaluable Planning And Administrative Tool

Our Central Real Property Inventory (CRPI) is a computerized, continually updated record of all real estate owned or leased by the federal government, broken down by department and agency. This invaluable

planning and administrative tool will give you a comprehensive picture of exactly where you stand with respect to real property.

8. Municipal Grants—In Lieu Of Taxes

Our Municipal Grants Division pays annual grants to taxing authorities across Canada instead of property taxes on federal government lands and buildings qualifying

for the grant. Its professional valuers will determine the fairness of any tax assessment on your property and calculate the appropriate size of the grant.



● **Real Property Inventory and Municipal Grants** ●

Our Regional Offices

7

Wherever you are in Canada, we are only a phone call away. Contact your nearest Regional Office of Public Works Canada for a complete range of services:

Atlantic Region

Regional Manager,
Real Estate Services,
P.O. Box 2247,
1190 Barrington Street,
Halifax, Nova Scotia
B3J 3C9
(902) 426-2311

Quebec Region

Regional Manager,
Real Estate Services,
2001 University Street,
Montreal, Quebec
H3A 1K3
(514) 283-5696

National Capital Region

Regional Manager,
Real Estate Services,
L'Esplanade Laurier,
140 O'Connor Street,
Ottawa, Ontario
K1A 0M3
(613) 996-8126

Ontario Region

Regional Manager,
Real Estate Services,
4900 Yonge Street,
Willowdale, Ontario
M2N 6A6
(416) 224-4113

Western Region

Regional Manager,
Real Estate Services,
9925 - 109th Street,
Edmonton, Alberta
T5K 2J8
(403) 420-3182

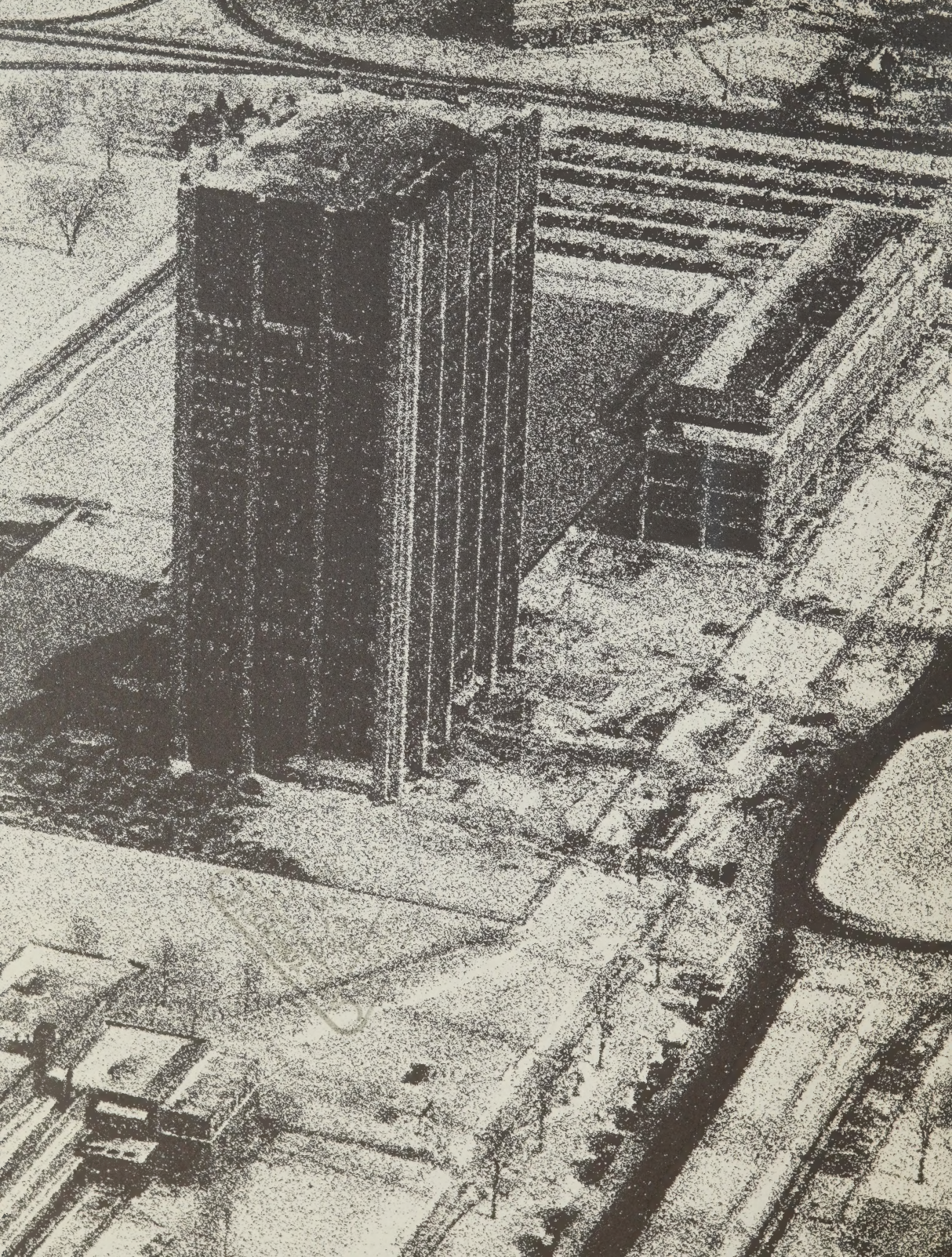
Pacific Region

Regional Manager,
Real Estate Services,
1166 Alberni Street,
Vancouver, B.C.
V6E 3Z3
(604) 544-3725

P.W.C. Headquarters

General Director
Real Estate Services Directorate
Public Works Canada
Sir Charles Tupper Building
Riverside Drive,
Ottawa, Ontario
K1A 0M2
(613) 998-8671

● Our Regional Offices ●



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Municipal Grants—in lieu of taxes

The Municipal Grants Division is responsible for making grants in lieu of municipal property taxes and frontage and area taxes on federal property.

The Division, with its skilled valuers, also provides a property valuation and grant calculation service for a number of Crown Corporations and the Department of External Affairs (with respect to foreign-owned diplomatic, consular and trade commission properties).

However, the central business of the Division is the payment of grants in lieu of taxes—an activity which has its indirect origin in a provision of the B.N.A. Act which states that "No Lands or Property Belonging to Canada or any Province shall be Liable to Taxation." Since 1950, the federal government has had legislation providing for the payment of grants in lieu of municipal taxes to compensate municipalities for local services.

A major responsibility of the Municipal Grants Division is to ensure that these grants in lieu of taxes represent an accurate reflection of the value of the federal property and the effective municipal tax rate. For this reason, it is vital that all employees of federal departments and agencies co-operate with Public Works Canada in ensuring that Municipal Grants Division records are up-to-date with respect to their real property holdings. Municipal assessment and taxation departments should also be informed of any changes.

Municipal Grants Act, 1980

In 1980, Parliament passed a new Municipal Grants Act and regulations which provided for substantial changes in eligibility for grants in lieu of taxes, as well as the methods for calculating the size of the grant. As a result of this legislation and its accompanying regulations, nearly all federal lands and buildings became eligible for grants in lieu of taxes as of January 1, 1980. Here are some of the more important changes:

- Properties newly eligible for grant: Properties newly eligible for grant in 1980 include libraries, historic sites, national parks, the Houses of Parliament, reclaimed lands, water conservation and irrigation projects and Prairie Farms Rehabilitation Act pasture land upon discontinuation of the present means of making payment in lieu of taxes. In the case of national parks, museums, art galleries, concert halls and administrative and operational buildings on defense bases in rural areas, payment of grants in lieu of taxes is to be phased in between 1980 and 1983.

- Properties exempt from grant: Federal real properties still exempt from grant include Indian reserves, a few urban parklands and all federally owned structures other than buildings. In addition, most real property administered by a federal department and leased or occupied by a third party is exempt from the grant, even when the third party itself is exempt from municipal property taxes. However, there are many exceptions to this general rule.

- "Frontage or area taxes" and the danger of duplicated payments: The term, "frontage or area taxes," is used for the first time in the 1980 Act, even though grants in lieu of such taxes have been paid for some years. The new Act does, however, remove restrictions against paying grants for non-capital maintenance services—such as, for example, street-oiling—provided by municipalities. Federal departments should beware of paying taxes for such services—such as water taxes—because most will be paid out of the grant in lieu of the annual municipal property tax levy. However, federal departments will still have to pay for consuming water, electricity, gas and other such municipal services.

- No preferential treatment for federal property: As of 1980, grants in lieu of municipal taxes are based on the effective municipal tax rate and not a low or preferred rate, unless the federal property corresponds to a taxable property on which a low or preferred rate is paid. Similarly, the federal government intends to eliminate all service deductions from its calculations of the size of grants, except in the rare case when a municipality is unwilling or unable to provide the same level of service for a federal property. The only exception to this rule occurs when the federal government provides a given service itself or has arranged alternative means of financing it with a municipal or provincial government.

- New regulations for Crown Corporations: As of January 1, 1981, new regulations apply to the grants in lieu of taxes paid directly by federal Crown Corporations.

Central Real Property Inventory (CRPI)—an invaluable planning and administrative tool

The Central Real Property Inventory (CRPI) is a perpetual, central, computerized record of the real estate owned or leased on behalf of the Government of Canada by federal departments and agencies.

This invaluable planning and administrative tool is structured so as to provide property managers in federal departments and agencies with the information they need to plan, budget and administer their real property programs. The inventory is especially useful when considering the acquisition and disposal of real estate.

The record is updated on a regular monthly basis and printouts are available upon request to meet the specific needs of property managers. In April of each year, a total printout of the inventory is printed for distribution to all users.

Our specialized staff is always ready to collaborate with users on how best to meet their special information needs, to help them resolve problems in reporting and to discuss more general inventory matters.

The information in this computerized inventory can be broken down to show:

- the total real property holdings of the federal government;

- the real property holdings of each federal department or agency;

- the federal real property holdings in each region;

- the federal real property holdings in each constituency;

- the classification of each real property asset so that each department or agency will know the holdings of all the rest; and

- data related to the capital costs of each site or improvement.

Treasury Board in 1966 gave Public Works Canada responsibility for compiling and maintaining the Central Real Property Inventory as a result of recommendations made in 1962 by the Royal Commission on Government Organization.

Property Development—selecting the best site for your project

With the federal government's adoption of the new Federal Land Management Policy, our Property Development Division took on the responsibility of advising, consulting with and co-ordinating among federal departments and agencies on all real estate matters—including acquisitions, land use and disposals.

As the federal government's real estate developers, our specialized personnel have the skills needed to undertake all the land use planning, urban planning, economic analyses and social and environmental impact studies needed to meet your accommodation needs in every region of Canada.

As the Public Works Canada representative on the Treasury Board Advisory Committee on Federal Land Management (which must approve all major projects), Property Development Division can guide you through the complex process of getting approval for your real estate project.

More specifically, our Property Development Division is responsible for:

- Co-ordinating all real estate development projects from start to finish: In co-ordinating projects from their initial planning stages right through to completion, you can be sure that our staff will make certain your project is appropriate to your needs, has all the necessary supporting documentation and is consonant with the principles of the new federal land management policy.
- Providing professional land management advice and services: When your department or agency is planning how to make the best use of its real property, we can help. Our skilled specialists can make sure you get the best of advice and provide such services as land use studies, urban planning studies, economic analyses, social impact studies, environmental impact studies and site selection studies.
- Holding, maintaining, planning uses for and arranging for disposal of surplus properties: Our Property Development Division is continually assessing and reassessing the usefulness, both present and future, of surplus federal real property, with a view to finding new uses for that property or arranging for its disposal.

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Real Estate Investment Analysis System (REIAS)—the decision-maker's instrument

REIAS is a computerized financial analysis model. Its main purpose is to help you decide between real estate investment alternatives by giving you a clear, quantitative comparison of the long and short-term costs associated with each alternative.

Say, for example, your department needs more space. REIAS can tell you whether it's more cost-effective, taking into account changes in the value of money over time, to undertake a construction project, to purchase more real estate, to renovate existing quarters, to make an addition to present facilities, to renovate and make an addition, to lease the needed space or to enter into a build-lease or lease-purchase arrangement.

Why do you need REIAS?

Typically, the alternatives you'll face in the area of real estate investment differ with respect to costs (and benefits) in every conceivable way over the life of the investment. It is impossible to tell at a glance which is the least costly or most profitable.

REIAS has an established method for resolving this decision-making dilemma. It has the capability for revealing a solid basis for comparing widely different investment alternatives, taking into account variations in the value of money over time.

How does REIAS work?

The REIAS model uses discounted cash flow methodology to take into account changes in the value of money over the entire life of a project. With this approach, it is possible to compare the costs in present-day dollars (the present value cost) of investment alternatives over their entire life and identify the one which is least costly.

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Disposal—of surplus real estate

Within the federal government, only the Department of Public Works may dispose of real estate reported surplus under the Surplus Crown Assets Act, as well as under the Public Works and the Public Lands Grants Act.

Within Public Works Canada, our Disposal Unit has this responsibility, as well as the facilities and expertise to:

- Dispose of all surplus federal government real estate, whether through interdepartmental transfers; sales, exchanges or transfers to provincial or municipal governments; sales and exchanges with the private sector; or the leasing and letting of surplus property.
- Sell buildings and other structures for removal from a site.
- Authorize any federal department or agency to undertake the removal of unmarketable improvements from a site.
- Make recommendations to the Privy Council with respect to disposals.
- Obtain required Federal Land Management clearances from Treasury Board.
- Advertise publicly the availability of surplus real estate.
- Assist in the management, operation, repair, servicing and restoration of surplus properties.

● Land Surveys

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Land Surveys—to meet your requirements

Our professional surveyors, technicians and draftspersons, backed by long years of training and experience-tested methods, are in each Public Works regional office meeting the needs of federal departments and agencies.

Their services comprise:

- Legal land surveying: land subdivision; boundary definition; preparing real property descriptions for acquisitions, disposals, interdepartmental transfers and leases; undertaking surveys in accordance with governing statutes and regulations; easement demarcation; area determination; preparation of airport zoning plans.
- Project control surveys.
- Topographic and photo mapping for projects and preparation of topographical site plans.

- Building and utility location plans.
- Title document review and preparation of current boundary plans defining the interests and limits of your older installations.
- Compilation of comprehensive cadastre plans to assist you in the management and administration of your lands, buildings and leases.
- Preparing plans and information in support of your land and building information systems.
- A complete updating service for your plans, document registers and building information systems.
- Acting as your agent in the supervision, management and verification of contracts for land surveying and project mapping with private firms.

● Acquisition

Acquisition—getting the real estate you need

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Our Acquisition Division has all the professional expertise needed to handle all matters related to the acquisition of any type of interest in virtually any kind of real estate—whether residential, commercial or industrial properties or such specialized items as harbour lands and historic sites.

Our services, available both in Ottawa and the regions, include:

- handling all negotiations, however complex, leading to acquisition of an interest in real estate—whether through outright purchase, lease or lease/purchase, build/lease or build/purchase arrangements,
- obtaining all required approvals and authorizations for acquisition of a real estate interest, regardless of the scope of the project, including the securing of title documents and entering into binding agreements with private owners, corporations and lawyers, as well as provincial and municipal authorities,
- participating upon the client department's request in representations to the Treasury Board Advisory Committee on Federal Land Management for its concurrence in proposed land uses,
- expropriating an interest in real estate to meet a client department's needs through the authority vested in the Minister of Public Works under the Expropriation Act,
- providing analysis, advice and recommendations to client departments and agencies on all matters relating to acquisition of real property,
- carrying out site investigations and site selections in order to ensure that the specific and general real estate needs of client departments and agencies are met,
- providing estimates of time and costs associated with an acquisition, once a departmental requirement has been identified, as part of a consulting service for client departments and agencies,
- investigating, analyzing, making recommendations about and conducting negotiations on damage claims pursuant to Government Contract Regulations and Government Land Purchase Regulations, and
- identifying and assessing the value of compensable items such as business loss, disturbance, mortgage differentials, moving costs and injurious affection in relation to any type of real estate interest.

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Appraisal—expert valuations of real property

Is your department or agency planning to buy or lease a piece of real estate? One of the first things you'll need is one or two appraisals of its value, and these must be of sufficient quality to meet Treasury Board standards. But how can you be sure you'll pick the right appraiser for the job? What instructions should you give him? What do you look for when monitoring his work? How do you assess his final report before sending it off to Treasury Board?

The Appraisal Division at Public Works Canada knows the answers to all these questions. And its high-quality, professional appraisal services can take the worry out of appraising real estate.

Its services, available both in Ottawa and the regions, include:

- The performance of high-quality appraisals for any interest in real estate: Our qualified appraisers have the experience and expertise to conduct the quality appraisals needed to meet Treasury Board standards and support our clients' decisions on the purchasing, leasing, disposing or letting of any type of interest in real estate.
- The setting of comprehensive standards and guidelines for appraisals: All our appraisal reports, whether prepared in house or by outside appraisers, must meet a comprehensive set of standards and guidelines intended to ensure a standardized, quality product consonant with our clients' needs and Treasury Board regulations. In our managers appraisal system, we also have an established system for providing our own appraisers and outsiders with precise instructions and terms of reference.

- Detailed review of all appraisal reports by qualified review appraisers: Every appraisal report done by or for our Appraisal Division is subjected to searching examination by professional review appraisers to ensure that the report meets our client's needs, our own standards of excellence and Treasury Board regulations.

- Reconciliation of conflicting appraisal reports: For capital expenditures above \$75,000, Treasury Board regulations require two independently prepared appraisal reports. Because real estate appraisal is as much an art as a science, their conclusions may differ. In these circumstances, our review appraisers thoroughly analyze both reports—isolating errors or omissions, testing critical assumptions, reviewing logical inferences and querying the appraisers themselves—with a view to reconciling their conclusions into a firm, completely defensible synthesis.

- Commissioning outside appraisal services: Our Appraisal Division will commission independent appraisals for client departments and agencies. As professional appraisers themselves, our staff knows both the qualifications and availability of outside appraisers in every region and is therefore uniquely qualified to find the right one for your project. Our staff will then describe the specific appraisal problem, outline any critical assumptions and set the necessary terms of reference for the appraisal. All independent appraisers' reports are subjected to the same review and reconciliation procedures as in-house reports in order to ensure the requisite high standard of quality.

- Consulting service for unusual appraisal problems: Our Appraisal Division will advise and assist client departments and agencies in the extensive research sometimes required to resolve unusual appraisal problems.

